

## Message Text

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ACTION EB-08

INFO OCT-01 ARA-10 ISO-00 SOE-02 AID-05 CEA-01 CIAE-00

COME-00 DODE-00 DOE-15 H-01 INR-10 INT-05 L-03

NSAE-00 NSC-05 OMB-01 PM-05 USIA-06 OES-07 SP-02

SS-15 STR-07 TRSE-00 ACDA-12 /121 W

-----062697 201825Z /41

R 201403Z MAR 78

FM AMEMBASSY CARACAS

TO SECSTATE WASHDC 1626

INFO AMEMBASSY KINGSTON

C O N F I D N T I A L CAARACAS 2656

E.O. 11652: GDS

TAGS: ENRG ECIN VE

SUBJECT: EXXON CONCERN ABOUT JAMAICA

1. AT HIS REQUEST, EXXON VICE PRESIDENT WAYN STRICKLAND MET WITH EMBASSY OFFICERS MARCH 17 TO DISCUSS CONCERN EXXON HAD ABOUT ECONOMIC SITUATION IN JAMAICA AND ITS RAMIFICATIONS FOR EXXON. ACCORDING TO STRICKLAND, EXXON A MAJOR SUPPLIER OF PETROLEUM TO JAMAICA, IS OWED ABOUT \$15 MILLION FOR PAST SHIPMENTS OF PETROLEUM AND PETROLEUM PRODUCTS. EFFORTS TO GET THE FUNDS RELEASED HAVE BEEN UNAVAILING. THE COMPANY IS BECOMING CONCERNED ABOUT THIS SITUATION AND IS EXPLORING ITS OPTIONS, INCLUDING CUTTING BACK OR CUTTING OUT SUPPLY OF PETROLEUM TO JAMAICA UNTIL PAYMENTS SITUATION IMPROVES.

2. STRICKLAND WAS INTERESTED IN WHAT WE KNEW ABOUT CURRENT JAMAICAN BALANCE OF PAYMENTS SITUATION AND SHORT TERM OUTLOOK. HE WANTED TO KNOW WHO WAS HELPING THE JAMAICANS OUT AND HOW. IN RESPONSE TO INQUIRY, WE SKETCHED BRIEFLY HISTORY OF VENEZUELAN ASSISTANCE TO JAMAICA DURING PAST SEVERAL YEARS AND WHAT LITTLE WE KNEW ABOUT USG ASSISTANCE TO GOJ. WE ALSO TOUCHED BRIEFLY ON DEVELOPMENT OF INTEGRATED  
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APPROACH TO CARABBEAN DEVELOPMENT, DRAWING ON REPORTS OF ORGANIZATIONAL MEETING IN DECEMBER IN WASHINGTON. WE ADVISED HIM, HOWEVER, THAT WE HAD NOT BEEN KEPT INFORMED OF DEVELOPMENTS ON THE COORDINATED DEVELOPMENT INITIATIVE AND WOULD TRY TO OBTAIN MORE INFORMATION.

3. STRICKLAND ASKED ABOUT THE LIKELIHOOD OF VENEZUELAN

ASSISTNACE FOR JAMAICA DURING THE NEXT FEW MONTHS. IN  
REPOSE, WE SAID THAT IN SPITE OF GROWING ECONOMIC PROBLEMS  
IN THIS COUNTRY, IF THE GOV PERCEIVED JAMAICA'S SITUATION  
AS SERIOUS, ASSISTANCE WOULD PROBABLY BE FORTHCOMING IN  
SOME FORM, ALTHOUGH THE GOV WAS TRYING TO MULTILATERALIZE  
THE PROBLEM THROUGH THE COORDINATED DEVELOPMENT MECHNAISM.  
ANY ASSISTANCE TO JAMAICA ON THE ORDER OF SAY, \$20-\$40  
MILLION OVER THE NEXT TWELVE MONTHS WOULD BE CONSIDERED  
SMALL IN THE VENEZUELAN CONTEXT. THE DECISOON WOULD THERE-  
FORE BE MADE ESSENTIALLY ON POLITICAL GROUNDS. THE TWO  
GOVERNMENTS HAD MAINTAINED CLOSE AND FRIENDLY  
TIES AND A PERSONAL RELTIONSHIP EXISTED BETWEEN PRIME  
MINISTER MANLEY AND PRESIDENT PEREZ; THEREFORE, THE  
PROSPECTS FOR ASSISTANCE WERE FAIRLY GOOD.

4. FINALLY, STRICKLAND WAS CONCERNED ABOUT THE POSSIBLE  
IMPACT ON EXXON-GOV RELATIONS, SHOULD EXXON DECIDE TO GET  
TOUGH IN JAMAICA. WE TOLD HIM WE COUNDN'T GIVE HIS A PRECISE  
ANSWER. HOWEVER, WE REMINDED HIM THAT EXXON WAS  
ALREADY SUSPECTED OF MANIPULATNG THE INTERNATIONAL  
PETROLEUM MARKET TO THE DETRIMENT OF VENEZUELA'S PETROLEUM  
EXPORTS DURING THE LAST SEVERAL MONTHS. IN ADDITION, WE  
REMINDED HIM OF THE CLOSE POLITICAL TIES BETWEEN THE GOJ  
AND THE GOV ANDOF RECENT GOV STATEMENTS TO THE EFFECT  
THAT MULTILATEAL CORPORTATIONS WERE WORKING AGAINST THE  
INTERESTS OF DEVELOPING COUNTRIES IN SEVERAL WAYS. THERE-  
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FORE, DECISION BY EXXON TO GET TOUGH WITH JAMICA  
WOULD CERTAINLY NOT IMPROVE EXXON'S RELATIONSHIP WITH  
THE GOV.

5. EMBASSY WOULD APPECIATE ANY INFORMATION DEPARTMENT  
OR KINGSTON CAN PROVIDE ABOUTJAMAICAN SITUATION.  
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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PETROLEUM INDUSTRY, EMBASSY MEETINGS FOR BUSINESSMEN, DEBTS  
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**Copy:** SINGLE  
**Draft Date:** 20 mar 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
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**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
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**Review Content Flags:**  
**Review Date:** 19 jul 2005  
**Review Event:**  
**Review Exemptions:** n/a  
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**Review Release Date:** n/a  
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**SAS ID:** 3272432  
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**Status:** NATIVE  
**Subject:** EXXON CONCERN ABOUT JAMAICA  
**TAGS:** ENRG, ECIN, VE, JM, EXXON  
**To:** STATE  
**Type:** TE  
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**Review Markings:**  
Sheryl P. Walter  
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